

RMTD



RISK MANAGEMENT AND TORT DEFENSE DIVISION

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RMTD



Upcoming Training:

Monday, May 21

Crow Agency

Protecting Cultural Collections: Prevention, Preparedness, Response & Recovery

FREE course

Instructed by Randy Silverman

Offered by WESTPAS (Western State & Territories Preservation Assistance Service)

This is a great course walking participants through the process of developing their disaster plan with helpful tools for prioritizing pre- and post-disaster priorities. Ideal for Libraries, Museums, Visitor Centers with collections, and those with records, files or documents.

Register with WESTPAS at: <http://tiny.cc/ZePOL>

Upcoming Training:

Wednesday, May 23

Livingston

Protecting Cultural Collections: Prevention, Preparedness, Response & Recovery

FREE course

Instructed by Randy Silverman

Offered by WESTPAS (Western State & Territories Preservation Assistance Service)

This is a great course walking participants through the process of developing their disaster plan with helpful tools for prioritizing pre- and post-disaster priorities. Ideal for Libraries, Museums, Visitor Centers with collections, and those with records, files or documents.

Register with WESTPAS at: <http://tiny.cc/ZePOL>

Upcoming Training:

Friday, June 29

Missoula

Are You Ready?:

Scenario Planning and Collaboration among Libraries and Archives to improve disaster preparedness for collections

FREE course

Instructed by Randy Silverman

Offered by WESTPAS (Western State & Territories Preservation Assistance Service)

Through this course, participants will evaluate their disaster plans and recognize local resources they can partner with when preparing for, responding to, or recovering from a disaster.

Register with WESTPAS at: <http://tiny.cc/ZePOL>

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Risk Management & Tort Defense's

New!

Property

Valuation Matrix

Background:

RMTD has provided professional appraisals of state properties since FY'95.

Near the conclusion of FY'06, RMTD initiated an aggressive program of performing professional field appraisals of all state properties having estimated values in excess of \$500,000.

Also during this time approximately 350 '*Historic*' properties were appraised by a specialized appraising firm.

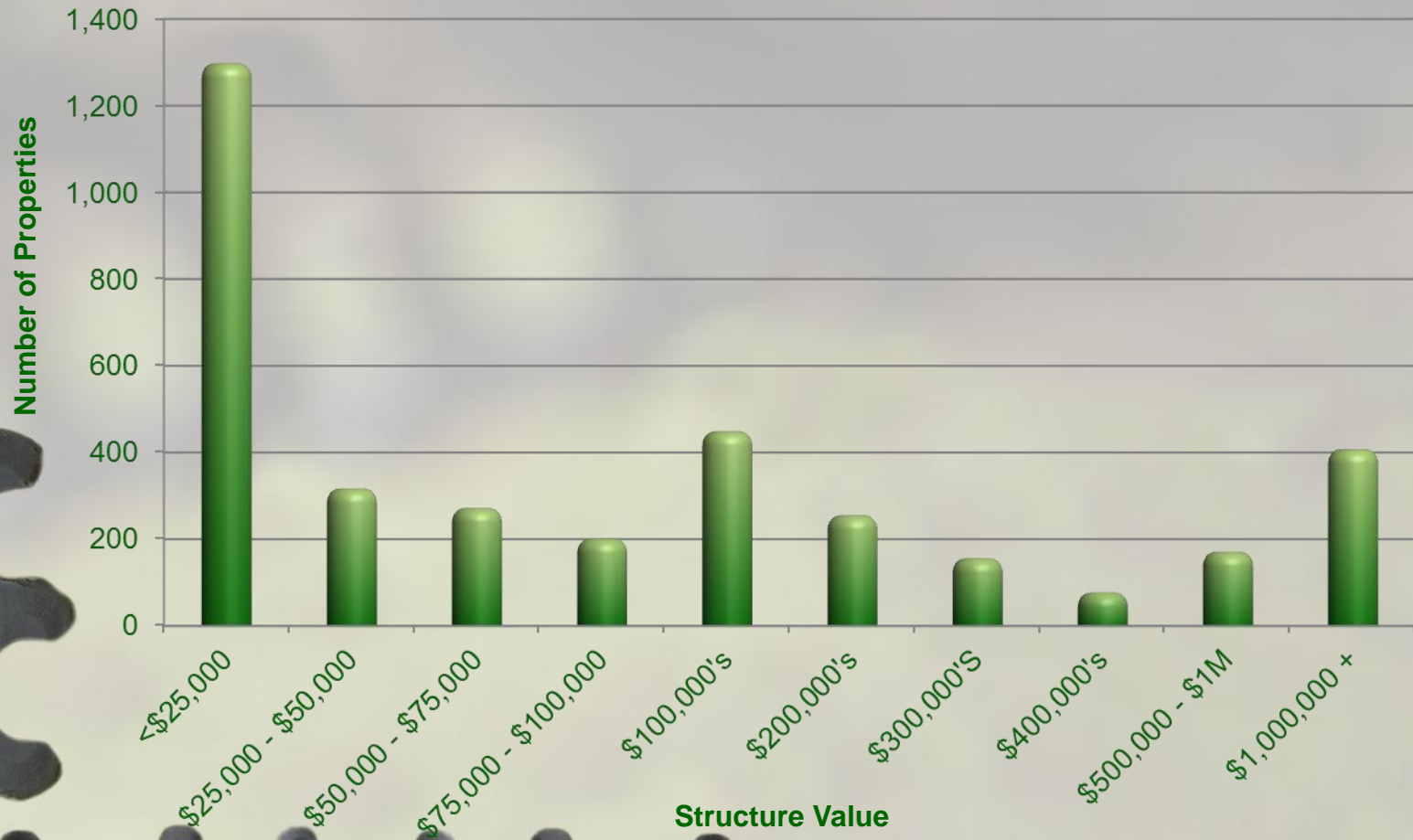
These specialized appraisals more accurately accounted for replacement costs of historic features present in these properties.

- Architectural
- Plaster work
- Hardwoods
- Carvings, Millwork, Moldings and Woodwork
- Metal Works
- Stone and Mason Work

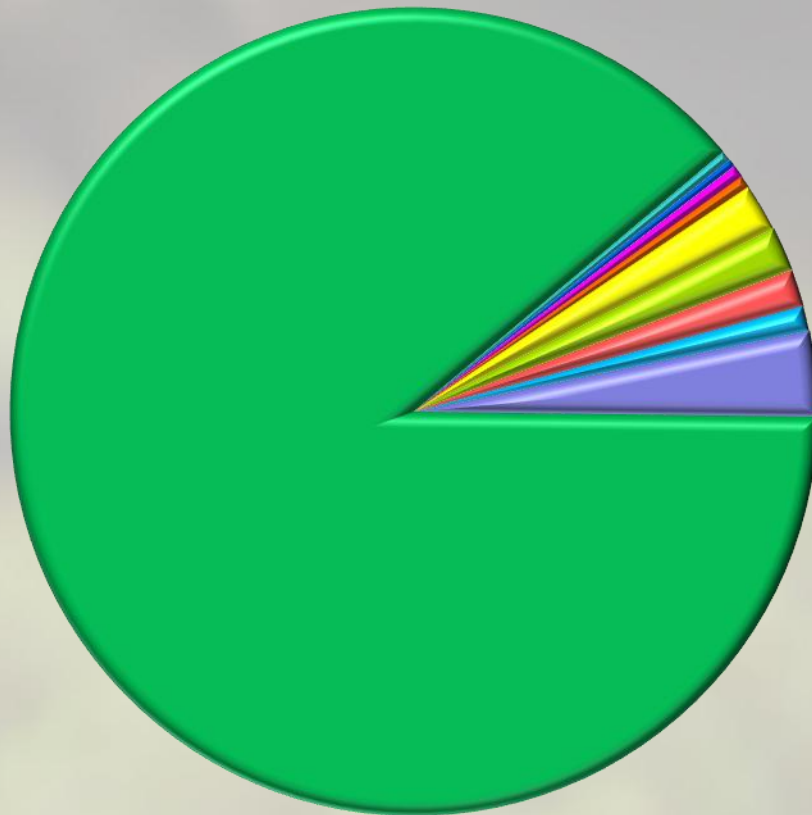
Over the next three years nearly 700 buildings were appraised, accounting for over 88% of the total value of the state's property portfolio.

This left approximately 2,800 owned properties.

Number of Properties by Structure Value

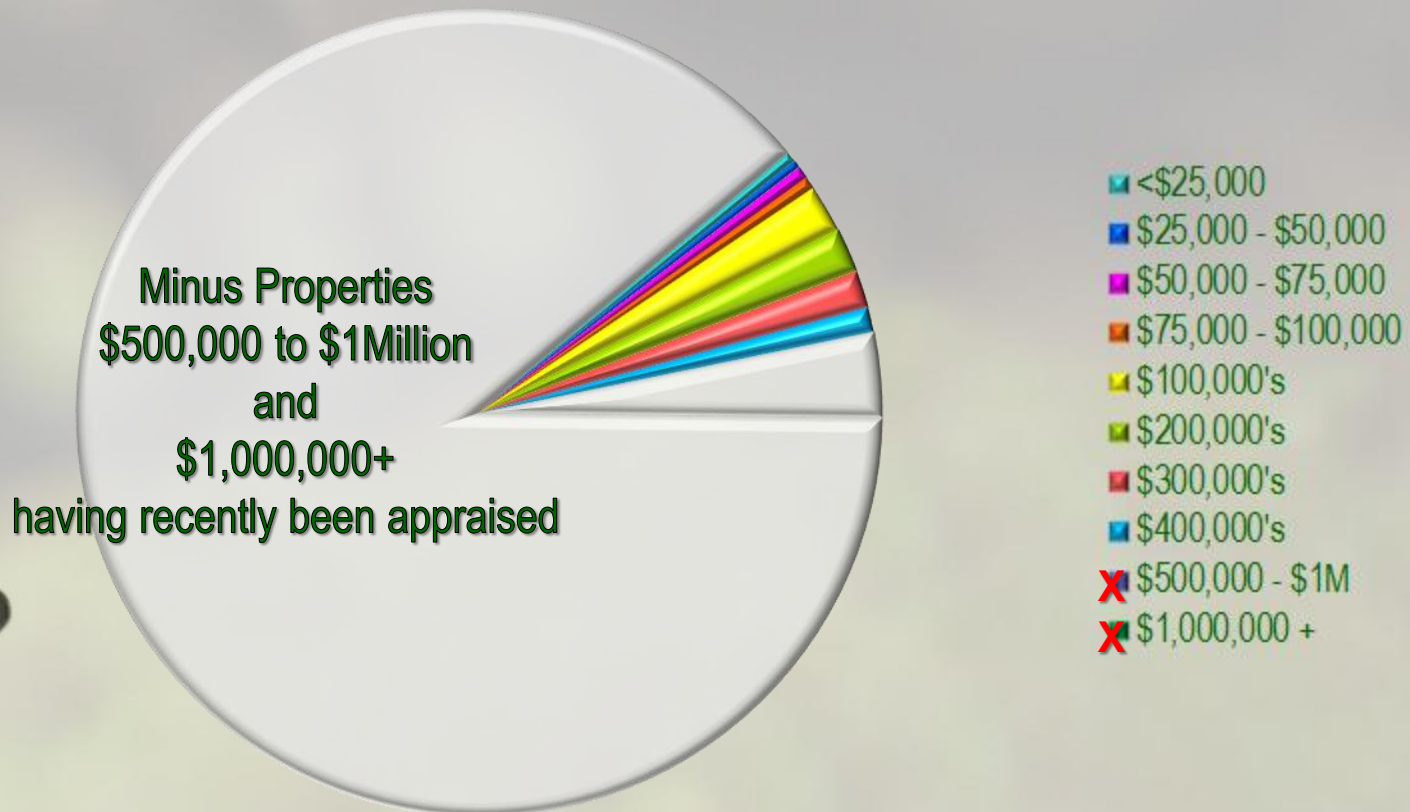


Percentage of State's Total Property Portfolio Value by Structure Value



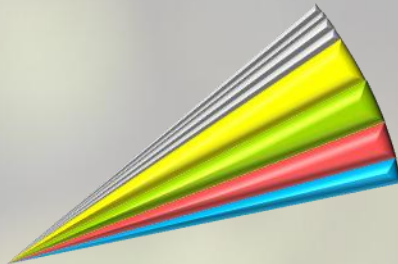
- <\$25,000
- \$25,000 - \$50,000
- \$50,000 - \$75,000
- \$75,000 - \$100,000
- \$100,000's
- \$200,000's
- \$300,000's
- \$400,000's
- \$500,000 - \$1M
- \$1,000,000 +




Percentage of State's Total Property Portfolio Value by Structure Value



Percentage of State's Total Property Portfolio Value by Structure Value

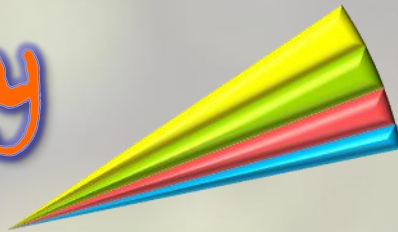
Minus Properties
<\$25,000
\$25,000 - \$50,000
\$50,000 - \$75,000
and
\$75,000 - \$100,000
collectively accounting for a
small percentage of value



-  <\$25,000
-  \$25,000 - \$50,000
-  \$50,000 - \$75,000
-  \$75,000 - \$100,000
-  \$100,000's
-  \$200,000's
-  \$300,000's
-  \$400,000's
-  \$500,000 - \$1M
-  \$1,000,000 +

Percentage of State's Total Property Portfolio Value by Structure Value

Property Valuation Matrix



- ~~X~~ <\$25,000
- ~~X~~ \$25,000 - \$50,000
- ~~X~~ \$50,000 - \$75,000
- ~~X~~ \$75,000 - \$100,000
- ☐ \$100,000's
- ☐ \$200,000's
- ☐ \$300,000's
- ☐ \$400,000's
- ~~X~~ \$500,000 - \$1M
- ~~X~~ \$1,000,000 +

Today approximately 937 properties with estimated structure values between \$100,000 and \$500,000 warrant appraisals.

The costs associated with professional field appraisals prohibits this activity.

RM TD's new Property Valuation Matrix is a low-cost, quality-result-driven solution.

Property Valuation Matrix

- RMTD's new Property Valuation Matrix is similar to a macro's-enabled spreadsheet with multiple formulas in the background.
- RMTD's new Property Valuation Matrix a tool for RMTD staff's use.
- RMTD's new Property Valuation Matrix is used to evaluate single buildings, one at a time.
- RMTD's new Property Valuation Matrix can be utilized to provide a replacement cost estimate of Structure and Content values of owned properties.
 - Special Content remain the owner's responsibility.
- Appraisals are not needed of non-owned properties.

Property Valuation Matrix

- In time, RMTD's new Property Valuation Matrix could be used to estimate Content values within non-owned properties.
- RMTD's new Property Valuation Matrix is not factored for Historic properties.
- RMTD will enter the resultant values in PCIIS.
- RMTD's new Property Valuation Matrix is scheduled to be updated annually to account for inflation, building/rebuilding costs, and value trends.
- RMTD's new Property Valuation Matrix will also be updated annually to changes in our property portfolio.

Property Valuation Matrix

Your Role:

- You may request a building be appraised using RMTD's new Property Valuation Matrix.
- You may be asked to verify building attributes that will be entered in RMTD's new Property Valuation Matrix.
 - Some attributes are slightly different than available through PCIIS. (i.e.: More defined university properties)
 - Adjustment Factors are included for more precise value estimates. (i.e.: Remoteness and Shape)



Contact Aric Curtiss
regarding
Risk Management & Tort Defense's

Property Valuation Matrix

Aric Curtiss / 444-3486 / ACurtiss@mt.gov

RMTD



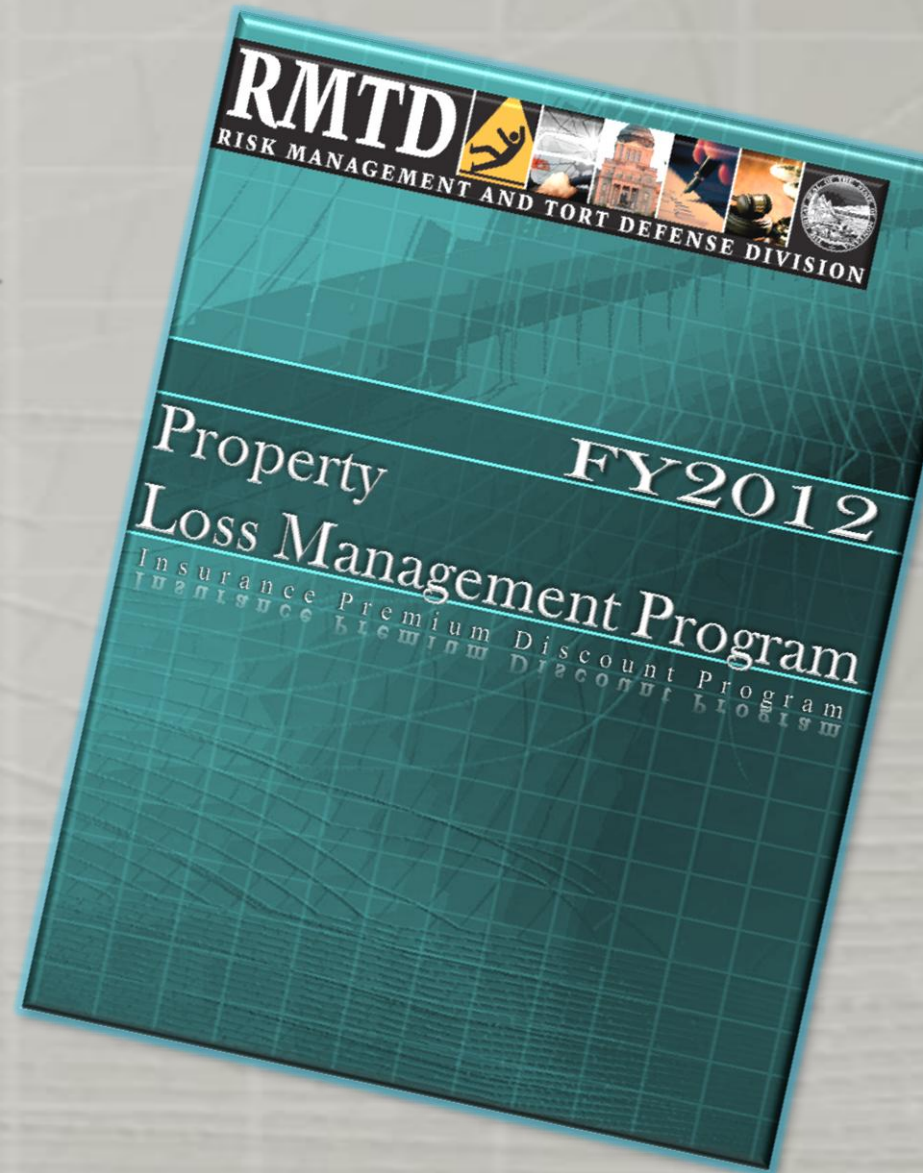
RISK MANAGEMENT AND TORT DEFENSE DIVISION

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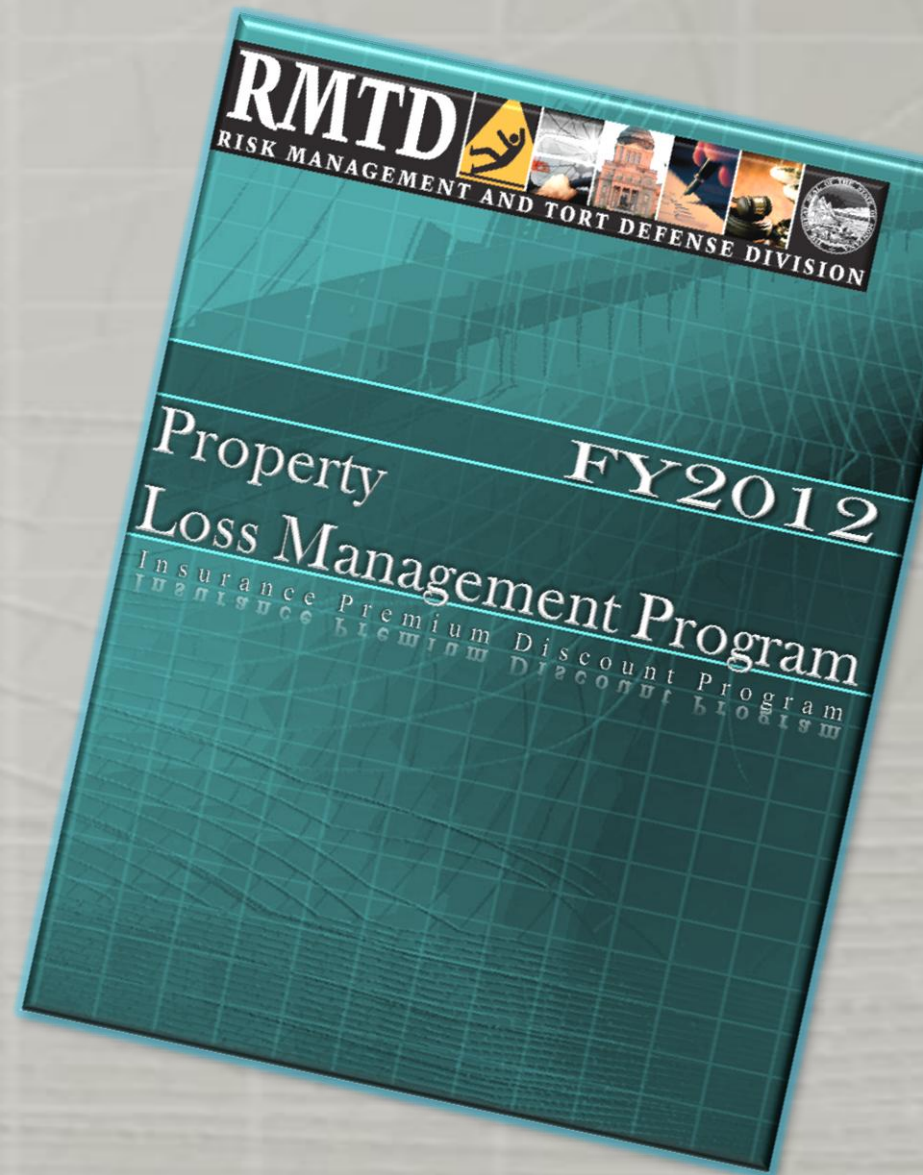
RMTD



FY2012
Property Loss
Management
Insurance Premium
Discount Program



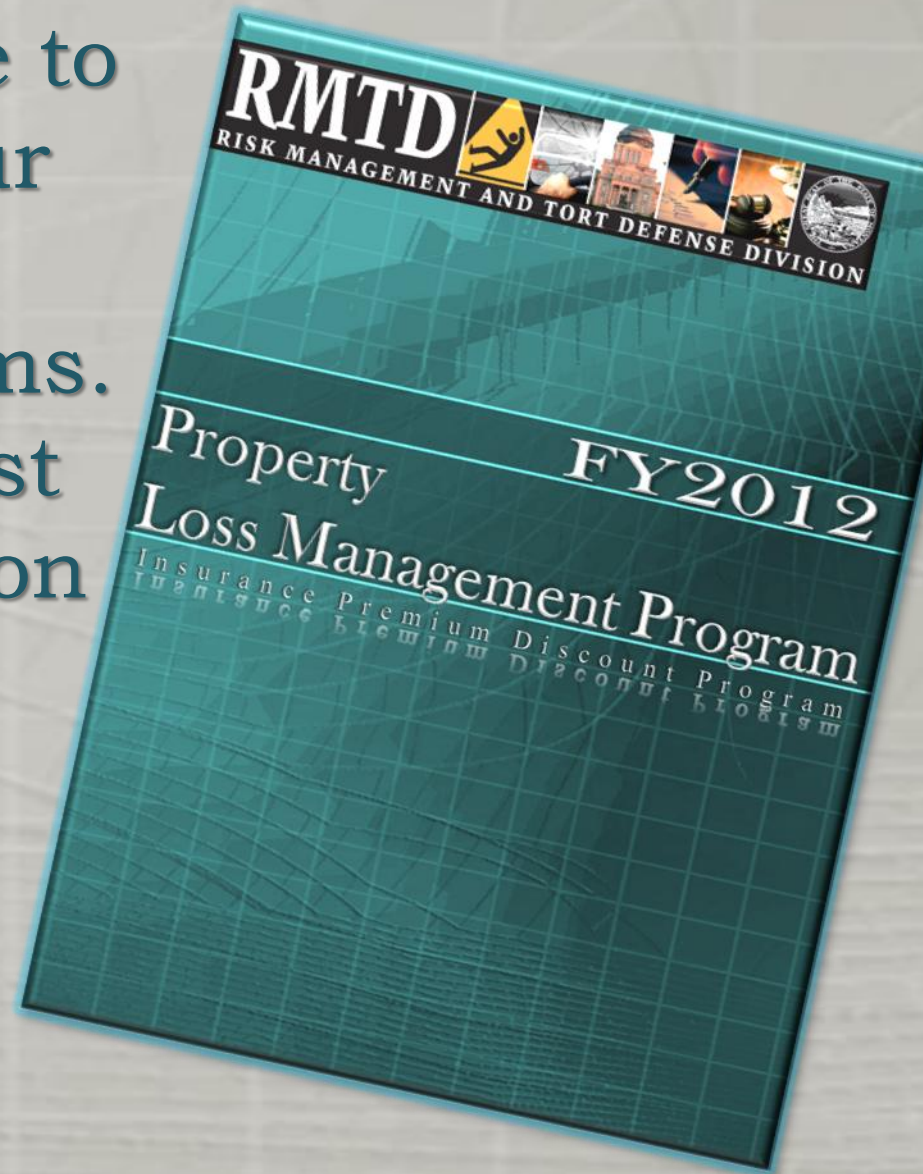
Binders are
due by
Friday,
June 1st,
2012



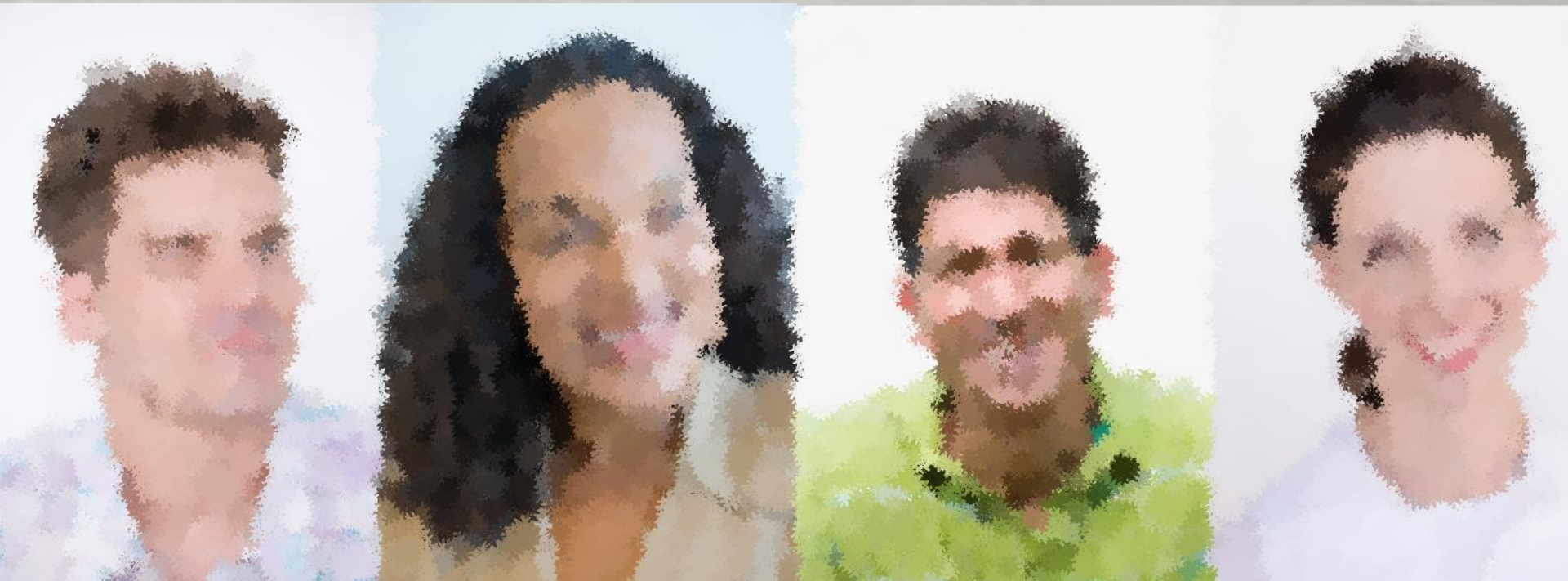
We expect to receive
over 2-dozen
programs.



On Wednesday, June 6th
a Panel will assemble to
begin reviewing your
Property Loss
Management Programs.
This Panel will invest
the next three days on
this program.



This Panel is comprised of
representatives from four entities which
have participated in this program
for multiple years.
Each member is familiar to the program.



As the review
process begins,
Panel Members
review the
program
requirements
and considerations.



Each
Panel Member
is provided
one binder.
They review the
entire program,
page by page.



The Reviewer
provides a score
(0-10) for each of
the nine program
requirements.
Detailed notes are
maintained.

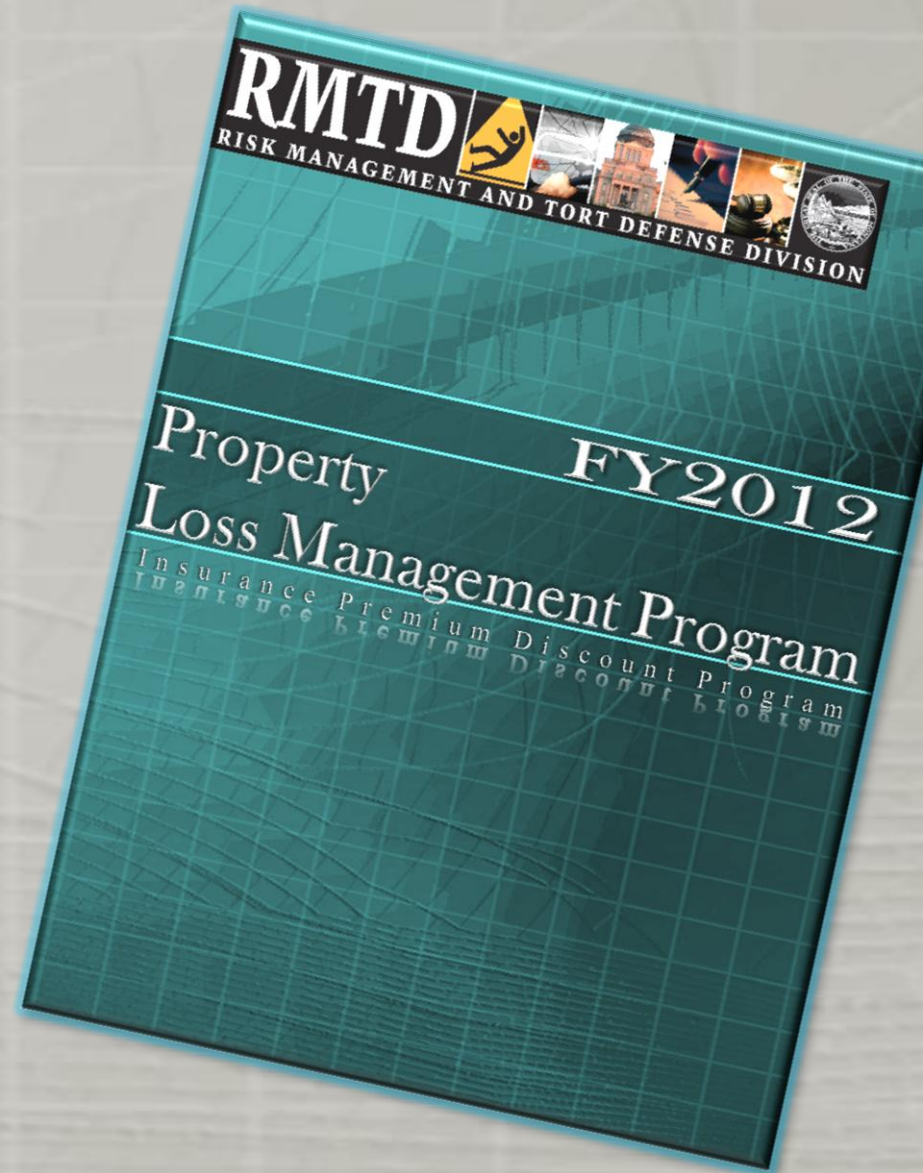


After reviewing their first binder, each Panel Member presents the binder to the entire Panel. The Panel discusses this binder based on the reviewer's input.

A preliminary score is provided.



This process is repeated until all binders have been reviewed once.



A similar second round of review is conducted.

Each binder is again reviewed page by page by a second Panel Member.

This reviewer provides scores for each program requirement and maintains detailed notes.



This 2nd Reviewer
then presents the
binder to the
full Panel
for discussion and
a revised score
is provided.



Once the 2nd round
of review is
completed all
scores are reviewed
for equity and
consistency.

A final
overall score is
awarded to each
binder.

A single scale
for the scoring or weighing of
Property Loss Management Programs
is not practical.

The Review Panel must look at each
program independently.

Each Program is fully reviewed
at least twice,
and discussed by the full Review Panel
at least twice.

The Review Panel can consider multiple factors such as:

- Differences amongst participants;
- Participants' relationships to their properties;
 - Own/Occupy, Own/Lease, Lease/Tenant
- Participants' property inventory;
 - State critical facilities versus non-essential facilities
- Participants' experience with the PLMP;

This review process allows entities be rewarded with an insurance premium discount for the requirements they satisfy.

Participants in the early stages of developing their Property Loss Management Program are fairly rewarded for their efforts.

By July 1,
participants will be
informed of their
approved discount.
This discount will be
applied to their
budgeted property
insurance premium
in FY2013.



Participants are welcome to contact
Risk Management & Tort Defense
for a review of notes made by the
PLMP Review Panel.

Participants are encouraged to
request this review as soon as possible
to realize benefits from adjusting their
Property Loss Management Program.

**Notice of Election Form
FY2013 Property Loss Management Insurance Premium Discount Program
Risk Management & Tort Defense Division
Department of Administration**

Purpose & General Provisions:

The Risk Management & Tort Defense Division (RMTD) offers a property insurance premium discount of up to 10% to state agencies and universities that establish and maintain a comprehensive and effective Property Loss Management Program. The discount shall be applied against the participant's budgeted property insurance premium in FY2014.

Requirements and Documentation:

Participants must complete the following to be eligible for a premium discount in FY2014:

- 1) Deputy Agency Director, Vice President, Institutional Director (or equivalent position) must sign and return this Notice of Election form to Aric Curtiss, RMTD, by **June 15, 2012**.
- 2) Review your property claims activity report for the past four years by **October 1, 2012**. Reviewers must include at least: your contact person for this program; your RMTD Risk Management Committee Representative; a Deputy Agency Director or higher (or equivalent position); and, head(s) of facilities/maintenance. The goal of this review is to identify claim trends with an eye to develop ways to reduce the likelihood or severity of future property claims and to identify property loss management strategies to be enhanced through FY2013 and beyond. Reviewers must sign the final page of this report and submit it to RMTD by **October 31, 2012**, along with a basic plan to address the occurrence of property claims. (Note: To obtain this standard report: access State Agency Loss Reports through RMTD's website; select Standard Reports; select Property; and select Property Claims.)
- 3) Submit the following written documentation to Aric Curtiss, RMTD, by **June 1, 2013**. Documentation should be organized in a binder to be provided by RMTD. Submitted materials are not returned, therefore, maintain supporting documentation. RMTD may verify participant documentation and compliance.
 - Schedule of preventative maintenance completed for key buildings during FY2013.
 - Checklists for self-inspections completed on key buildings during FY2013.
 - Policies and procedures for hot works; impairment testing of fire protection equipment; pre-fire emergency planning; and cold weather precautions in force during FY2013.
- 4) Submit blueprints, plans and specifications for renovations or new construction involving or affecting fire suppression systems. RMTD and/or the state's property loss consultants will review materials for system density design, and other concerns. Property loss management recommendations may be made with reasonable follow-up expected of the participant.
- 5) Submit written response to recommendations contained in Property Loss Management letters issued by RMTD and/or its consultants. Responses must indicate that a reasonable effort to comply with recommendations is made.

~ Notice of Election ~		
_____ hereby elects to participate in RMTD's FY2013 Property Loss Management Insurance Premium Discount Program.		
Our contact person for this program is _____		
(Name)	(Email)	
_____	_____	_____
(Authorized Signature)	(Title)	(Date)

Contact Aric Curtiss at 444-3486 or Acurtiss@stat.gov with any questions or for additional information.

Each participant will be notified of its eligibility for a discount by July 1, 2013 as indicated below:

RMTD USE
<input type="checkbox"/> Discount Approved _____% <input type="checkbox"/> Discount Disapproved
Comments: _____

**Notice of Election Forms
for the FY2013
Property Loss
Management Insurance
Premium Discount
Program
are included in your
handouts.
Please make elections
by June 15th.**

Feel free to contact us
for more information:

Aric Curtiss

444-3486

ACurtiss@mt.gov

RMTD



RISK MANAGEMENT AND TORT DEFENSE DIVISION

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